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EXAMINER
VAN DOREN, BETH

ART UNIT	PAPER NUMBER
3623	

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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.	Applicant(s)	
	10/022,438	STOLTZ, ALLISON	
	Examiner	Art Unit	
	Beth Van Doren	3623	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *02 March 2007*.

2a)☒ This action is **FINAL**. 2b)☐ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-6,9-17 and 20-26* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☐ Claim(s) *1-6,9-17,20 and 22-26* is/are rejected.

7)☒ Claim(s) *21* is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

DETAILED ACTION

1. The following is a Final office action in response to communications received 03/02/2007. Claims 3, 6, 17, and 24 have been amended. Claims 25-26 have been added. Claims 1-6, 9-17, and 20-26 are pending.

Response to Amendment

2. Applicant's amendment to claims 6 and 17 are sufficient to overcome the 35 USC § 112, second paragraph, rejections set forth in the previous office action.

Claim Objections

3. Claim 26 is objected to because of the following informalities: misnumbering. New claim 26 is currently labeled claim 21, which would be a duplicate of the previously pending claim 21. This claim is therefore construed as claim 26. Appropriate correction is required.

Allowable Subject Matter

4. Claim 21 is objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims.

Claim Rejections - 35 USC § 102

5. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless –
>
> (e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the

international application designated the United States and was published under Article 21(2) of such treaty in the English language.

6. Claims 1-6, 9-17, 20, 22, and 25-26 are rejected under 35 U.S.C. 102(e) as being anticipated by Barton et al. (U.S. 2002/0059093).

As per claim 1, Barton et al. teaches a method for use in compliance management, comprising:

presenting, via a computer network, at least one user with a series of questions relating to at least one business category (See figure 11, paragraphs 0010, 0012-4, 0049, 0051, wherein questions are presented via the network concerning compliance risk);

soliciting, via the computer network, a response from the at least one user for each question presented (See paragraphs 0010, 0012-4, 0049, 0051, 0060, wherein the questions are answered);

determining a detection index based on the number of responses to each of the series of questions (See paragraphs 0081 and 0084, wherein detection is determined);

determining an occurrence index based on the potential consequence of non-compliance (See paragraphs 0007, 0081, and 0084, wherein occurrence index is determined);

determining a standard severity risk index based on the expected severity of non-compliance (See paragraphs 0068, 0072-3, 0075, 0081, 0084, wherein severity indexes are considered); and

prioritizing, via the computer network, the at least one business category based on the at least one user's responses and at least one total risk score comprising the product of the detection, occurrence, and standard severity risk indices (See paragraphs 0081, 0084-7, wherein a risk score is calculated based on these factors. See also paragraphs 0068-9,

0072, 0081, 0090-1, where risk prioritization numbers are generated to determine the order to handle the risk areas of the business).

As per claim 2, Barton et al. discloses wherein the user response comprises a "Yes" or "No" (See paragraphs 0060 and 0064, wherein the questions are answered yes/no).

As per claim 3, Barton et al. discloses wherein the at least one standard severity risk index comprises a number between 1 and 10 corresponding to a specific level of risk (See paragraph 0060, 0068, 0072-5, wherein severity is valued 1-10).

As per claim 4, Barton et al. discloses wherein the number "1" comprises the lowest level of risk severity, and the number "10" the highest level of severity (See paragraph 0060, 0068, 0072-5, wherein 1 is low and 10 is high severity).

As per claim 5, Barton et al. teaches wherein the at least one standard severity risk index corresponds to the at least one business category (See paragraph 0040, 0060, 0068, 0072-5, which corresponds to at least one business category. See also figure 11).

As per claim 6, Barton et al. discloses the step of determining a detection index based on the at least one user's responses, and the number of users (See paragraphs 0065 and 0084, wherein the detection index is determined based on the responses from the at least one user). Barton et al. also generates a score based on the number of questions presented (i.e. "opps") (See paragraphs 0065 and 0084, where the number of questions presented (ie opportunities) are used to determine a score).

As per claim 9, Barton et al. teaches ranking the at least one business category based on the at least one total risk score (See paragraphs 0081, 0084-7, wherein a risk

score is calculated. See also paragraphs 0068-9, 0072-5, 0081, 0090-1, where risk is prioritized).

As per claim 10, Barton et al. teaches a system for use in compliance management, comprising:

a query module associated with an engine for presenting at least one user with a series of questions relating to at least one business category, and for soliciting and receiving responses from the at least one user for each question presented (See figure 11, paragraphs 0010, 0012-4, 0049, 0051, 0060, wherein questions are presented via the network concerning compliance risk and answers are received);;

a prioritization module associated with the engine for: (1) determining a detection index based on the number of responses to each of the series of questions, determining an occurrence index based on the potential consequence of non-compliance, and determining a standard severity risk index based on the expected severity of non-compliances (See paragraphs 0068, 0072-3, 0075, 0081, 0084, wherein a detection, occurrence, and severity index are determined) and (2) prioritizing the at least one business category based on the at least one user's responses and at least one total risk score comprising the product of a detection, occurrence and standard severity risk indices (See paragraphs 0081, 0084-7, wherein a risk score is calculated based on these factors. See also paragraphs 0068-9, 0072, 0081, 0090-1, where risk prioritization numbers are generated to determine the order to handle the risk areas of the business).

As per claim 11, Barton et al. teaches wherein the series of questions are presented to the user over a communications network (See figure 11, paragraphs 0010, 0012-4, 0049, 0051, 0060, wherein questions are presented via the network).

As per claim 12, Barton et al. teaches wherein an administration module associated with the engine for inputting, updating and accessing data associated with the query and prioritization modules, the administration module being accessible to an administrator of the system via an administration interface (See paragraphs 0012-3, 0048-51, 0060, 0064, wherein an administrator and interface is disclosed).

Claims 13-17 and 20 recite equivalent limitations to claims 2-6 and 9, respectively, and are therefore rejected using the same art and rationale as applied above.

As per claim 22, Barton et al. teaches wherein the occurrence index weighs the total risk score based on the potential consequences of non-compliance (See paragraphs 0081, 0084-7, wherein a risk score is calculated based on these factors, and wherein occurrence influences and affects the overall score. See also paragraphs 0072 and 0075).

As per claim 25, claim 25 is rejected using the same art and rationale set forth above with respect to claim 21. Barton et al. further discloses assessing a potential consequence of non-compliance, the potential consequence of non-compliance relating to parameters and the values of such parameters (See figure 16 and paragraphs 7, 38, 42, 44, 55, that disclose potential consequences (failure effects) of failures of non-compliance); determining an occurrence index based on the potential consequence of non-compliance that was assessed, such that the occurrence index changes as the parameters associated with the potential consequence of non-compliance change, the occurrence index that is determined being one of at least three possible occurrence indices, the at least three possible occurrence indices being provided as possible occurrence indices (See figure 16 and paragraphs 81 and 84, which disclose an occurrence index that results from the

identified potential failures and the failure's effects. The occurrence index can be chosen from a set of 1-10).

As per claim 26, Barton et al. teaches wherein the detection index by a relationship between the number of queries or questions that were answered with a particular response, the total number of queries or questions in the category, and the number of departments or units responding (See paragraphs 0010, 0012-4, 0049, 0051, 0060, wherein the questions are answered. Paragraphs 56-9, 62, 72, and 90, specifically discuss the gathering of information from interviews and questionnaires into the knowledge base of the system. This knowledge base is relied upon to determine the detection index. See specifically paragraphs 0081 and 0084, wherein detection is determined using the knowledge base).

Claim Rejections - 35 USC § 103

7. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

8. Claims 23-24 are rejected under 35 U.S.C. 103(a) as being unpatentable over Barton et al. (U.S. 2002/0059093).

As per claims 23 and 24, Barton et al. teaches wherein an occurrence index and where the occurrence index represents the likelihood of occurrence and the frequency of non-compliance (See paragraphs 0081 and 0084-6). However, Barton et al. does not

expressly disclose that the occurrence index is based on the total number of agents or employees affected by non-compliance or the total number of policies in force.

Barton et al. teaches an occurrence value that is indicated in the system and represents the likelihood of occurrence and the frequency of non-compliance. It is old and well known in the art that employees and the number of policies are factors that cause occurrences of non-compliance, such as a regulation being violated by a policy or an employee not following a rule. Therefore, it would have been obvious to one of oprdinary skill in the art at the time of the invention to consider employees affected by non-compliance and the total number of policies in force in the occurrence index of Barton et al. in order to more efficiently determine the potential for failure concerning the business by taking into account the areas in which non-compliance events may occur. See paragraphs 0065 and 0084.

Response to Arguments

9. Applicant's arguments with regards to Barton et al. (U.S. 2002/0059093) have been fully considered, but they are not persuasive. In the remarks, Applicant argues that (1) Barton et al. does not teach or suggest "determining an occurrence index based on the potential consequence of noncompliance" and that the occurrence factor of Barton is concerned with whether a non-compliance is likely to occur (i.e. likelihood) instead of the potential consequence and (2) that examiner has not established a prima facie case of obviousness with regards to claims 23-24, since Barton et al. does not expressly disclose determining an occurrence index based on the potential consequence of noncompliance and that the modification presented by Examiner, even if obvious, would still fail to address the deficiencies of Barton et al.

In response to argument (1), Examiner respectfully disagrees. Barton et al. teaches "determining an occurrence index based on the potential consequence of noncompliance" as shown in at least paragraphs 81 and 84. Barton et al. identifies potential failure modes and root causes of these failures in order to quantify compliance issues, assess potential risks, and mitigate and control risks. The term failure, within the context of Barton et al., is compliance failure and includes the causes and effects of failure. See at least paragraphs 7, 38, and 42. An FMEA matrix is constructed that includes a likelihood of occurrence factor, and using the rating system to calculate numbers using this occurrence factor, the numbers used to rank risks of noncompliance and recommend actions to reduce the risks. All of these calculations are based on the fact that failures occur.

In terms of the scope of the claim language, the claim recites, "determining an occurrence index based on the potential consequence of noncompliance", and thus the claim does not recite a specific manner in which the index is determined, but merely that it is based (i.e. being founded or established) on the potential consequences (or potential effect, result, or outcome) of noncompliance. Therefore, the recitation of "potential consequences of noncompliance" requires that the determined index considers the fact that consequences of non-compliance occur. Examiner further points out that in the broadest reasonable interpretation of the claim, the term "determining" would mean deciding on, discovering, or finding out. The claim does not require the use of a specific algorithm or method within the scope of the claim language. Thus, the language "determining an occurrence index" merely requires setting a value in the system that reflects the value of the index based on received answers to questions. Without any

recitation of how this is decided on, it could merely occur via solicitation of a value from a single user, in the broadest reasonable interpretation of the claim, since claim 1 only requires soliciting a response from **at least one** user for each question. Therefore, the occurrence index would be determined based on one user's responses to a series of questions. Therefore, if something more specific is meant by this limitation, examiner respectfully recommends amending the limitation so that it can receive proper patentable weight.

In response to argument (2), Examiner respectfully disagrees. Examiner has established a prima facie case of obviousness because Barton et al. does teach and suggest "determining an occurrence index based on the potential consequence of noncompliance", as explained above with respect to argument (1).

Conclusion

Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the

advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

Spielmann et al. (U.S. 7,113,914) discloses a risk management system that rates the risks associated with non-compliance.

Packwood (U.S. 7,006,992) teaches quantifiable risk factors associated with a business, with immediacy and tolerance factors, and evaluating the values associated with the risk.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Beth Van Doren whose telephone number is 571-272-6737. The examiner can normally be reached on M-F, 8:00-5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Tariq Hafiz can be reached on 571-272-6729. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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May 15, 2007

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